



April 18, 1983

Mr. Howard C. Lincoln
Senior Vice-President
Nintendo of America, Inc.
4820 150th Avenue, P.O. Box 957
Redmond, Washington 98052

Dear Howard:

Regarding your letter of February 3, 1983. On January 29, 1983, we informed our sales staff to cease all solicitation of orders for Donkey Kong products and we have liquidated our stock balances.

As I mentioned in my last letter to you it is our policy to refrain from selling any product to our customers if there is any question as to rights of ownership, validity of trademark etc.

The J.C. Penney Company is one of our largest customers and our agreement with them precludes us from selling them any product involved in a litigation over the rights of ownership.

So you can see we cannot market your product to our largest customers because of the existing problem between yourselves and Universal City Studios. We cannot, and will not, endanger the goodwill between ourselves and our customer under any circumstances.

Regarding your understanding of the calendar of events pertaining to our signing of the contract, they are as follows:

- 1) May, 1982, Super Shirts contacted Makin'It Inc. to pursue license.
- 2) May 10, 1982, Makin' It sent copy of license agreement to Super Shirts.
- 3) June 2, 1982, Super Shirts sent check for \$2500 and signed license agreement to Makin' It, Inc.
- 4) July 1, 1982, Super Shirts started our license agreement. (Due to exclusive agreement with Wiz Kids for use of "Cabaroa" art through June 30, 1982.)

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Mr. Howard G. Brown, Con't.

- 5) January 6, 1983, received notice of lawsuit from Townley Updike, attorneys for Universal City Studios.
- 6) January 29, 1983, notified Nintendo of our intentions to cease all sales of Donkey Kong products.

As you can see, we did not commence business in Donkey Kong products until July 1, 1983. Your contract came to us predated from Makin'It, Inc. I hope the above dates will give you a better perspective on our actual use of Donkey Kong products.

As I stated in my letter of January 29, 1983, we will no longer be manufacturing or distributing Donkey Kong products and that we consider our license agreement null and void.

If you have any further questions regarding this matter, please contact me personally.

Sincerely,

SUPER SHIRTS INC.



John C. Bates,
General Manager

JCB:mkp